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Report to Alan K. Campbell, Chairman, Civil Service Commission; by H. L. Krieger, Director, Federal Personnel and Compensation Div.

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A survey on the feasibility of establishing interagency pools of clerical personnel to help meet the needs of Federal agencies for short-term clerical help indicated that it is now time to give the concept a fair test. The need for short-term help appears significant, the demand stable, the concept proven in the private sector and in the State of California, and the potential for success in the Federal Government good. The Chairman of the Civil Service Commission (CSC), in cooperation with the Director of the Office of Management and Budget, should clarify whether additional legislation is needed before this concept can be pilot tested and, if needed, propose legislation to authorize a pilot-testing program. The Chairman should then designate a location and an agency to act as the central pool manager and pilot test the concept to further establish demand and feasibility. The CSC Chairman should also require: regional offices to more effectively screen applicants for interest and availability, agencies to evaluate the performance of temporary workers and provide CSC with this information, and regional offices to make the performance evaluation information available to other Federal agencies. (SC)



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WASHINGTON, D.C. 20548

FEDERAL PERSONNEL AND
COMPENSATION DIVISION

B-179810

JULY 13, 1978

The Honorable Alan K. Campbell
Chairman, U.S. Civil Service
Commission

Dear Mr. Campbell:

We have completed a survey on the feasibility of establishing interagency pools of clerical personnel to help meet the needs of Federal agencies for short-term clerical help. These needs, caused by normal fluctuations in workloads, temporary absences of permanent clerical personnel, special projects, and personnel ceilings, ^{1/} appear rather extensive and will probably continue to be so. For example, as of March 31, 1977, 31,600 workers were employed full-time in temporary Federal positions, as shown below:

<u>Clerical position</u>	<u>Number of temporaries working full-time</u>	<u>Percent of total</u>
Clerk Typist	13,270	42
General and Administrative	5,700	18
Mail and File	1,590	5
Secretary	1,580	5
Stenographer and Reporter	1,570	5
Claims	1,350	4
Supply	<u>1,050</u>	<u>4</u>
Subtotal	<u>26,110</u>	<u>83</u>
All other clerical	<u>5,490</u>	<u>17</u>
Total	<u>31,600</u>	<u>100</u>

Yet, these figures, although significant in and of themselves, do not reflect the total demand for short-term help. Agencies also hire part-time temporaries; however, data

^{1/}See our report "Personnel Ceilings--A Barrier To Effective Manpower Management," June 2, 1977 (FPCD-76-88).

on their numbers was not available. Finally, because of problems in the management of temporaries (discussed below), some needs go unmet, thus increasing the demand even further.

Also, our survey work in the San Francisco Federal region showed that the demand for short-term clerical help was spread among numerous Federal agencies and not confined to only a few. For example, in a recent 2-month period, 15 Federal organizations representing 8 agencies in the City of San Francisco requested temporary clerical help in the form of stenographers, secretaries, and typists.

MANAGING PROBLEMS IN TEMPORARY HELP

Problems with the current system for managing temporary employees prevent agencies from obtaining maximum benefits from this important resource. Our survey disclosed problems such as:

- The Civil Service Commission's (CSC's) referring individuals to agencies only to have the agencies find that they are either unavailable or not interested in temporary work. For example, we reviewed 162 agency requests to the San Francisco CSC area office over a 2-month period for applicants to staff 224 temporary clerical positions. Although CSC provided the names of 897 applicants for these positions, agencies found that only 435 applicants (48 percent) were actually available and interested when contacted about work. Four hundred and sixty-two applicants either declined the positions (298) or did not respond to the job announcements (164). Ultimately, only 116 of the positions were filled by applicants CSC had supplied. Also, 23 of the 162 requests were returned by CSC to the requesting agencies because CSC did not have sufficient eligible applicants. Some of these agency requests represented a second or third unsuccessful effort to obtain temporary help. In some cases, we were told, agencies meet their short-term help needs by diverting permanent employees from their regular duties, or the work is simply not done.
- The absence of a system to facilitate the rehiring or reuse of temporary clerical help which distinguishes between effective and marginal or ineffective past performers. No efforts are made to systematically identify and retain employees who have successfully completed temporary assignments. In the course of

a 12-month period from July 1976 to June 1977, about 307,000 temporaries were separated from Federal employment nationwide. Unlike permanent employees, however, agencies are not required to evaluate temporary employees' performance. At the termination of an appointment, no documentation is prepared on how effectively the employee performed. Consequently, when additional work becomes available, there is no way of distinguishing effective performers from other applicants. Nor is there an equitable basis for rewarding good performance.

- High turnover of temporary help caused by workers leaving for more permanent positions. Our work at one agency indicated that temporaries often do not stay to complete their assignments. For example, of 104 temporaries hired by one agency between January and June 1977, 51 left before their terms had expired. Twenty-four of them left to move on to more permanent employment. In addition, 15 of those who remained had become permanent employees of the agency. Agency managers told us that temporaries often leave for more permanent positions offering benefits not generally available to temporary employment such as health and life insurance, civil service retirement, job tenure, promotions, and within-grade salary increases. Temporaries are generally entitled to only social security and a pro-rate share of annual and sick leave. Frequent turnover of temporaries forces agencies to rely on inexperienced help to satisfy short-term help needs.

INTERAGENCY CLERICAL POOLS-- A VIABLE ALTERNATIVE

We believe that the establishment of Federal interagency clerical pools to meet agency short-term help needs can reduce the previously discussed problems. An interagency pool could:

- Reduce the problem of referring uninterested or unavailable persons. Applicants would be centrally controlled by a pool manager who would periodically screen and maintain updated availability lists. This should minimize persons being on the list who are unavailable and more readily assure speedy assignments of available individuals to agencies. Since the central pool manager would also screen individuals for availability and actually make assignments, agencies would be freed from this task, thereby improving the efficiency of the screening process.

- Provide a system for evaluating the performance of short-term workers. The pool manager making assignments could require agencies to evaluate individuals, and the manager could then screen these evaluations to identify the more effective performers and counsel individuals, as necessary. Over time, the pool could be staffed with the more highly proficient employees who could be responsive to agency needs. Also, since some of these employees will become full-time permanent employees in Federal agencies, the performance evaluations would provide these hiring agencies added information to select the best employees.
- Help address the problems of personnel turnover by offering permanent positions in the pool for those desiring them, and also provide, through centralized management, increased career development programs and assignment variety. In addition, having management centralized will pinpoint responsibility and accountability for turnover and help insure its more effective management.

Successful application of the pool concept

The pool concept has proven itself in the private sector where temporary help firms have successfully been providing workers to businesses on a short-term basis for many years. The concept has also been successfully applied in the public sector.

Since 1969 the State of California has successfully operated an interagency clerical pool in Sacramento. The pool was originally comprised of about seven intermittent employees, serving seven agencies' short-term clerical needs and has since expanded to about 50 intermittent employees, serving 32 state departments, boards, and commissions.

The California State Government experience showed the pool to be beneficial to both employer and employee. To the employer, it provides a supply of readily available short-term help who, prior to receiving work assignments, have been screened by the pool manager for job availability.

As for the employees, they receive benefits not usually associated with nonpermanent work. Employees are able to work as much as 1,500 hours in a 12-month period, yet on a flexible schedule designed to meet their personal needs. Job benefits are received in proportion to the amount of time worked and includes vacation, sick leave, health insurance, etc. After

each assignment, employees are evaluated and effective performers are singled out, while employees needing assistance receive personal counseling. These factors have apparently helped guarantee the success of the California program.

In many ways the California State Government in Sacramento parallels the Federal Government's regional activities. Both have a large number of organizations with widely diverse and specialized operations which must contend with fluctuating workloads, special projects, and employee absences.

CSC's PAST SUPPORT FOR INTERAGENCY POOLS

On two occasions in recent years, CSC proposed to the Office of Management and Budget (OMB) that the interagency pool concept be pilot-tested for Federal application. Yet, OMB has been reluctant to propose legislation which CSC believes is needed before pilot-testing can begin. Consequently, the benefits of these pools have never been clearly determined.

Over the years, CSC has periodically considered establishing interagency short-term help pools, and had actually planned to pilot-test the concept in 1962 in the St. Louis Federal Region. The test was never conducted, however, because CSC's General Counsel advised that Section 686 of Title 31, U.S. Code, precluded such testing, as follows:

"(The) authority for one agency to perform reimbursable services for another agency is * * * restricted to situations when such services may be furnished by the requisitioned agency without hiring additional employees for such purpose. If additional employees are needed, * * * special legislative authority * * * should be obtained."

In April 1968, CSC proposed legislation to OMB (then the Bureau of the Budget) which would, if enacted, authorize the establishment of interagency pools. The CSC proposal, showing widespread interest in such pools among agencies' field offices, argued that enactment would result in better use of manpower and more efficient Government operations.

In September 1968, OMB, acting on the basis of certain objections raised by departments and agencies, asked CSC to reconsider its proposal. CSC and OMB staff subsequently met and agreed on certain revisions designed to overcome the objections raised. Eight agencies were informally contacted

by CSC, and all stated they still favored legislation and would use the pools. However, it was not until March 1971 that CSC again proposed legislation to OMB. However, OMB was still not convinced there was sufficient agency support to warrant the legislation. Moreover, the administration at the time was concerned with rising Federal employment and the need for fiscal restraint; these were apparently decisive factors in OMB's decision not to seek the required legislation. CSC agreed that the timing was bad and curtailed its efforts.

Officials we contacted at three agencies and CSC in San Francisco support the concept of pools as a means of eliminating unnecessary applicant processing, supplying qualified help on an as-needed basis, and reducing turnover.

CONCLUSIONS AND RECOMMENDATIONS

We believe it is now time to give the concept a fair test. The need for short-term help appears significant, the demand stable, the concept proven in the private sector and in the State of California, and the potential for success in the Federal Government good.

Recommendations

Therefore, we are recommending that you, in cooperation with the Director, Office of Management and Budget:

- Clarify whether additional legislation is needed before this concept can be pilot-tested, considering the provisions of Title VI of the proposed Civil Service Reform Act of 1978.
- Propose legislation that would authorize a pilot-testing program if legislation is needed.

Once the legislative requirements are satisfied, we recommend that you:

- Designate a location and an agency (possibly your agency) to act as the central pool manager and pilot-test the concept to further establish demand and feasibility.

Furthermore, to increase the usefulness of the existing system for use of temporary employees, regardless of the action taken on testing the interagency pool concept, we recommend that you require:

- CSC regional offices to more effectively screen applicants for interest and availability prior to submitting names to agencies.
- Agencies to evaluate the performance of temporary workers and provide CSC with this information.
- CSC regional offices to make the performance evaluation information available to Federal agencies when applicants' names are referred for either temporary or full-time employment.

As you know, section 236 of the Legislative Reorganization Act of 1970 requires the head of a Federal agency to submit a written statement on actions taken on our recommendations to the House Committee on Government Operations and the Senate Committee on Governmental Affairs not later than 60 days after the date of the report and to the House and Senate Committees on Appropriations with the agency's first request for appropriations made more than 60 days after the date of the report.

We are also sending this report to the Director, Office of Management and Budget.

Sincerely yours,

H. L. Krieger

H. L. Krieger
Director